

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF JULIE AND  
GREG SURABIAN from the decision of the Board of  
Equalization of Valley County for the tax year 2007.

) APPEAL NO. 07-A-2661  
) FINAL DECISION AND  
) ORDER

**RESIDENTIAL PROPERTY APPEAL**

NOTICE OF APPEAL was filed September 13, 2007, by Appellants, from a decision of the Valley County Board of Equalization (BOE) denying the protest of the valuation for taxing purposes of property described as Parcel No. XR00196001010B. As a matter of convenience, Appellants requested that this appeal be heard on the written record of evidence and argument presented, without appearance at a hearing. This Board subsequently requested that all information and evidence to be considered be submitted by both parties. The Board now issues its decision based upon the documentary record.

**The issue on appeal is the market value of residential property**

**The decision of the Valley Board of Equalization is affirmed.**

FINDINGS OF FACT

The assessed land value is \$937,030, and the improvements' value is \$272,170, totaling \$1,209,200. Appellants request the land value be reduced to \$633,430, and the improvements' value be reduced to \$158,880, totaling \$792,310.

The subject property is .743 acre located on the lakeshore of Payette Lake in Valley County.

To the east of the lakefront side of the subject is the Pilgrim Cove Homeowner Association common area, and an easement from the road to the lake adjoins the full west side of the subject property.

Following a January 1, 2007 lien date assessment of the subject, Appellants disputed the results as inaccurate.

Appellants claimed the 2006 assessed value was a more accurate market value for the subject. The claim was based on what Appellants referred to as “2007 real estate listing experience.”

Appellant’s argument is twofold. First, Appellants challenged the applicability of two land sales the Assessor analyzed to determine subject land value. Appellants argued the model used by the Assessor was flawed. Because of the substantial variation in price per front foot between the two sales closest to subject size, relevance to the subject was limited. Second, Appellants argued the model used by the Assessor failed to consider factors Appellants believe to be detrimental to the value of the land. The negative factors included such a clear view of boats, trailers and public toilets from subject and a lake access easement the full length of the subject property.

Respondent maintained subject had level topography and a sandy and naturally protected beach. Respondent also described the subject view as “panoramic” of the lake and nearby mountains and noted that there is limited availability of lakefront properties on Payette Lake.

Respondent determined the assessment of the subject is an accurate representation of market value and need not be overturned.

The Assessor valued the subject by comparing sales data received for similar properties in comparable neighborhoods located within the county during the previous year. From the sales, the Assessor established a “standard lot” for comparison to other Payette lakefront properties. In the case of the subject, the “standard lot” adjusted for size and location to arrive

at a value of \$17,037 per front foot.

Respondent argued the subject assessed value should be upheld because it takes into consideration the strong upward valuation trends property in the area has been experiencing. In addition the assessment represents market value, as required in Idaho.

Neither party addressed the assessed value of the improvements.

### CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following conclusions.

In respect to property valuation for tax purposes, Idaho requires market value as defined in Idaho Code § 63-201 (10):

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing sell, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Furthermore, under Idaho law, when property is assessed for tax purposes, it must be done so under Idaho Code § 63-205, which states that:

All real, personal and operating property subject to property taxation must be assessed annually at market value for assessment purposes as of 12:01 a.m. of the first day of January in the year in which such property taxes are levied, except as otherwise provided. Market value for assessment purposes shall be determined according to the requirements of this title or the rules promulgated by the state tax commission.

The Assessor's valuation of the subject was based on data collected by comparing sales prices of similar properties to subject. The comparison produced the most fair and accurate

market value of the subject land on the January 1, 2007 lien date.

Appellants maintain the assessed value is excessive, and instead cite the assessment on the January 1, 2006 lien date as the more appropriate value. Appellants' argument will not suffice because it is contrary to Idaho law, which requires a market value to be assessed for tax purposes as of the January 1 lien date of the year such property taxes are levied.

Appellants arguments will also not succeed as Appellants have failed to reach the requisite burden of proof to overturn the subject assessment. The Idaho Supreme Court has mandated that:

"The value of property for purposes of taxation as determined by the assessor is presumed to be correct; and the burden of proof is upon the taxpayer to show by [a preponderance of the] evidence that he is entitled to the relief claimed." Board of County Comm'rs of Ada County v. Sears, Roebuck & Co., 74 Idaho 39, 46-47, 256 P.2d 526, 530 (1953).

While Appellants present an alternate value of the subject, nothing is offered as to why it was a more accurate value other than a short explanation that property values have not risen enough to warrant a higher assessment. Nor do Appellants sufficiently demonstrate an error in the assessment. Because of this, Appellants do not meet the burden required to overturn the presumption that the assessor is correct by a preponderance of the evidence.

#### FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Valley County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

April 3, 2008